

Senate Study Bill 3230 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED GOVERNOR'S BUDGET
BILL)

A BILL FOR

1 An Act relating to and making appropriations to the department
2 of cultural affairs, the department of economic development,
3 certain board of regents institutions, the department of
4 workforce development, and the public employment relations
5 board, and related matters.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. DEPARTMENT OF CULTURAL AFFAIRS. There is
2 appropriated from the general fund of the state to the
3 department of cultural affairs for the fiscal year beginning
4 July 1, 2010, and ending June 30, 2011, the following amounts,
5 or so much thereof as is necessary, to be used for the purposes
6 designated:

7 1. ADMINISTRATION

8 For salaries, support, maintenance, and miscellaneous
9 purposes:

10 \$ 212,069

11 The department of cultural affairs shall coordinate
12 activities with the tourism office of the department of
13 economic development to promote attendance at the state
14 historical building and at this state's historic sites.

15 2. COMMUNITY CULTURAL GRANTS

16 For planning and programming for the community cultural
17 grants program established under section 303.3:

18 \$ 273,500

19 3. HISTORICAL DIVISION

20 For the support of the historical division:

21 \$ 3,195,107

22 From the moneys appropriated under this subsection,
23 the department shall use \$45,000 for purposes of planning
24 commemoration activities for the sesquicentennial anniversary
25 of the civil war and Iowa's participation in the civil war.
26 Such activities may include activities in Iowa, activities
27 through partnerships with other states, and activities on a
28 national level.

29 4. HISTORIC SITES

30 For the administration and support of historic sites:

31 \$ 493,060

32 5. ARTS DIVISION

33 For the support of the arts division:

34 \$ 1,023,712

35 6. GREAT PLACES

1 For the great places program:
2 \$ 214,869

3 7. ARCHIVE IOWA GOVERNORS' RECORDS

4 For archiving the records of Iowa governors:
5 \$ 70,142

6 8. RECORDS CENTER RENT

7 For payment of rent for the state records center:
8 \$ 199,816

9 Sec. 2. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.

10 1. For the fiscal year beginning July 1, 2010, the goals for
11 the department of economic development shall be to expand and
12 stimulate the state economy, increase the wealth of Iowans, and
13 increase the population of the state.

14 2. To achieve the goals in subsection 1, the department
15 of economic development shall do all of the following for the
16 fiscal year beginning July 1, 2010:

17 a. Concentrate its efforts on programs and activities that
18 result in commercially viable products and services.

19 b. Adopt practices and services consistent with free
20 market, private sector philosophies.

21 c. Ensure economic growth and development throughout the
22 state.

23 Sec. 3. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is
24 appropriated from the general fund of the state to the
25 department of economic development for the fiscal year
26 beginning July 1, 2010, and ending June 30, 2011, the following
27 amounts, or so much thereof as is necessary, to be used for the
28 purposes designated:

29 1. ADMINISTRATION DIVISION

30 a. For salaries, support, maintenance, miscellaneous
31 purposes, and programs; for transfer to the Iowa state
32 commission grant program:
33 \$ 1,976,046

34 b. The department shall work with businesses and
35 communities to continually improve the economic development

1 climate along with the economic well-being and quality of life
2 for Iowans. The administration division shall coordinate with
3 other state agencies to ensure that all state departments are
4 attentive to the needs of an entrepreneurial culture.

5 c. Notwithstanding section 8.33, moneys appropriated in
6 this subsection that remain unencumbered or unobligated at the
7 close of the fiscal year shall not revert but shall remain
8 available for expenditure for the purposes designated until the
9 close of the succeeding fiscal year.

10 2. BUSINESS DEVELOPMENT DIVISION

11 a. For business development operations and programs, the
12 film office, international trade, export assistance, workforce
13 recruitment, and the partner state program; for transfer to the
14 strategic investment fund; for transfer to the grow Iowa values
15 fund; and for the support of the business development division:
16 \$ 5,346,530

17 b. The department shall establish a strong and aggressive
18 marketing image to showcase Iowa's workforce, existing
19 industry, and potential. A priority shall be placed on
20 recruiting new businesses, business expansion, and retaining
21 existing Iowa businesses. Emphasis shall also be placed on
22 entrepreneurial development through helping to secure capital
23 for entrepreneurs, and developing networks and a business
24 climate conducive to entrepreneurs and small business.

25 c. A business creating jobs with economic development
26 assistance through moneys appropriated in this subsection shall
27 be subject to contract provisions stating that new and retained
28 jobs shall be filled by individuals who are citizens of the
29 United States who reside within the United States or any person
30 authorized to work in the United States pursuant to federal
31 law, including legal resident aliens in the United States. Any
32 vendor who receives such public moneys shall adhere to such
33 contract provisions and provide periodic assurances as the
34 state shall require that the jobs are filled solely by citizens
35 of the United States who reside within the United States or

1 any person authorized to work in the United States pursuant
2 to federal law, including legal resident aliens in the United
3 States. A business that receives financial assistance from
4 the department from moneys appropriated in this bill shall
5 only employ individuals legally authorized to work in this
6 state. In addition to all other applicable penalties provided
7 by current law, all or a portion of the assistance received
8 by a business which is found to knowingly employ individuals
9 not legally authorized to work in this state is subject to
10 recapture by the department.

11 d. From the moneys appropriated in this subsection, the
12 department may provide financial assistance in the form of a
13 grant to a community economic development entity for conducting
14 a local workforce recruitment effort designed to recruit former
15 citizens of the state and former students at colleges and
16 universities in the state to meet the needs of local employers.

17 e. From the moneys appropriated in this subsection, the
18 department may provide financial assistance to early-stage
19 industry companies being established by women entrepreneurs.

20 f. From the moneys appropriated in this subsection, the
21 department may provide financial assistance in the form of
22 grants, loans, or forgivable loans for advanced research and
23 commercialization projects involving value-added agriculture,
24 advanced technology, or biotechnology.

25 g. Notwithstanding section 8.33, moneys appropriated in
26 this subsection that remain unencumbered or unobligated at the
27 close of the fiscal year shall not revert but shall remain
28 available for expenditure for the purposes designated until the
29 close of the succeeding fiscal year.

30 3. COMMUNITY DEVELOPMENT DIVISION

31 a. For support, maintenance, miscellaneous purposes,
32 community economic development programs, tourism operations,
33 community assistance, plans for Iowa green corps and summer
34 youth programs, the mainstreet and rural mainstreet programs,
35 the school-to-career program, the community development block

1 grant, and housing and shelter-related programs:

2 \$ 5,063,917

3 b. The department shall encourage development of
4 communities and quality of life to foster economic growth. The
5 department shall prepare communities for future growth and
6 development through development, expansion, and modernization
7 of infrastructure.

8 c. The department shall develop public-private partnerships
9 with Iowa businesses in the tourism industry, Iowa tour groups,
10 Iowa tourism organizations, and political subdivisions in this
11 state to assist in the development of advertising efforts.
12 The department shall, to the fullest extent possible, develop
13 cooperative efforts for advertising with contributions from
14 other sources.

15 d. Notwithstanding section 8.33, moneys appropriated in
16 this subsection that remain unencumbered or unobligated at the
17 close of the fiscal year shall not revert to any fund but shall
18 remain available for expenditure for the designated purposes
19 during the succeeding fiscal year.

20 4. For allocating moneys for the world food prize and
21 notwithstanding section 15.368, subsection 1:

22 \$ 750,000

23 5. For use as matching funds for the United States
24 department of housing and urban development's main street
25 challenge grants for historic building preservation:

26 \$ 165,775

27 6. For allocation to the Iowa commission on volunteer
28 service for the Iowa's promise and mentoring partnership
29 program:

30 \$ 112,500

31 Notwithstanding section 8.33, moneys appropriated in this
32 subsection that remain unencumbered or unobligated at the close
33 of the fiscal year shall not revert but shall remain available
34 for expenditure for the purposes designated until the close of
35 the succeeding fiscal year.

1 Sec. 4. INSURANCE ECONOMIC DEVELOPMENT. From the moneys
2 collected by the division of insurance in excess of the
3 anticipated gross revenues under section 505.7, subsection 3,
4 during the fiscal year beginning July 1, 2010, \$100,000 shall
5 be transferred to the department of economic development for
6 insurance economic development and international insurance
7 economic development.

8 Sec. 5. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding
9 section 15E.120, subsection 5, there is appropriated from the
10 Iowa community development loan fund all the moneys available
11 during the fiscal year beginning July 1, 2010, and ending June
12 30, 2011, to the department of economic development for the
13 community development program to be used by the department for
14 the purposes of the program.

15 Sec. 6. WORKFORCE DEVELOPMENT FUND. There is appropriated
16 from the workforce development fund account created in section
17 15.342A to the workforce development fund created in section
18 15.343 for the fiscal year beginning July 1, 2010, and ending
19 June 30, 2011, the following amount, for the purposes of the
20 workforce development fund:

21 \$ 4,000,000

22 Sec. 7. WORKFORCE DEVELOPMENT ADMINISTRATION. From moneys
23 appropriated or transferred to or receipts credited to the
24 workforce development fund created in section 15.343, up to
25 \$400,000 for the fiscal year beginning July 1, 2010, and ending
26 June 30, 2011, are appropriated to the department of economic
27 development for the administration of workforce development
28 activities including salaries, support, maintenance, and
29 miscellaneous purposes.

30 Sec. 8. JOB TRAINING FUND. Notwithstanding section 15.251,
31 all moneys in the job training fund on July 1, 2010, and any
32 moneys appropriated or credited to the fund during the fiscal
33 year beginning July 1, 2010, shall be transferred to the
34 workforce development fund established pursuant to section
35 15.343.

1 Sec. 9. IOWA STATE UNIVERSITY.

2 1. There is appropriated from the general fund of the state
3 to Iowa state university of science and technology for the
4 fiscal year beginning July 1, 2010, and ending June 30, 2011,
5 the following amount, or so much thereof as is necessary, to
6 be used for small business development centers, the science
7 and technology research park, and the institute for physical
8 research and technology:

9 \$ 2,475,983

10 2. Of the moneys appropriated in subsection 1, Iowa state
11 university of science and technology shall allocate at least
12 \$878,611 for purposes of funding small business development
13 centers. Iowa state university of science and technology may
14 allocate moneys appropriated in subsection 1 to the various
15 small business development centers in any manner necessary to
16 achieve the purposes of this subsection.

17 3. Iowa state university of science and technology shall do
18 all of the following:

19 a. Direct expenditures for research toward projects that
20 will provide economic stimulus for Iowa.

21 b. Provide emphasis to providing services to Iowa-based
22 companies.

23 4. It is the intent of the general assembly that the
24 industrial incentive program focus on Iowa industrial
25 sectors and seek contributions and in-kind donations from
26 businesses, industrial foundations, and trade associations,
27 and that moneys for the institute for physical research and
28 technology industrial incentive program shall be allocated
29 only for projects which are matched by private sector moneys
30 for directed contract research or for nondirected research.
31 The match required of small businesses as defined in section
32 15.102, subsection 6, for directed contract research or for
33 nondirected research shall be \$1 for each \$3 of state funds.
34 The match required for other businesses for directed contract
35 research or for nondirected research shall be \$1 for each \$1 of

1 state funds. The match required of industrial foundations or
2 trade associations shall be \$1 for each \$1 of state funds.

3 Iowa state university of science and technology shall
4 report annually to the joint appropriations subcommittee on
5 economic development and the legislative services agency the
6 total amount of private contributions, the proportion of
7 contributions from small businesses and other businesses, and
8 the proportion for directed contract research and nondirected
9 research of benefit to Iowa businesses and industrial sectors.

10 5. Notwithstanding section 8.33, moneys appropriated in
11 this section that remain unencumbered or unobligated at the
12 close of the fiscal year shall not revert but shall remain
13 available for expenditure for the purposes designated until the
14 close of the succeeding fiscal year.

15 Sec. 10. UNIVERSITY OF IOWA.

16 1. There is appropriated from the general fund of the state
17 to the state university of Iowa for the fiscal year beginning
18 July 1, 2010, and ending June 30, 2011, the following amount,
19 or so much thereof as is necessary, to be used for the state
20 university of Iowa research park and for the advanced drug
21 development program at the Oakdale research park, including
22 salaries, support, maintenance, equipment, and miscellaneous
23 purposes:

24 \$ 222,372

25 2. The state university of Iowa shall do all of the
26 following:

27 a. Direct expenditures for research toward projects that
28 will provide economic stimulus for Iowa.

29 b. Provide emphasis to providing services to Iowa-based
30 companies.

31 3. Notwithstanding section 8.33, moneys appropriated in
32 this section that remain unencumbered or unobligated at the
33 close of the fiscal year shall not revert but shall remain
34 available for expenditure for the purposes designated until the
35 close of the succeeding fiscal year.

1 Sec. 11. UNIVERSITY OF NORTHERN IOWA.

2 1. There is appropriated from the general fund of the
3 state to the university of northern Iowa for the fiscal year
4 beginning July 1, 2010, and ending June 30, 2011, the following
5 amount, or so much thereof as is necessary, to be used for the
6 metal casting institute, the MyEntreNet internet application,
7 and the institute of decision making, including salaries,
8 support, maintenance, and miscellaneous purposes:

9 \$ 485,674

10 2. The university of northern Iowa shall do all of the
11 following:

12 a. Direct expenditures for research toward projects that
13 will provide economic stimulus for Iowa.

14 b. Provide emphasis to providing services to Iowa-based
15 companies.

16 3. Notwithstanding section 8.33, moneys appropriated in
17 this section that remain unencumbered or unobligated at the
18 close of the fiscal year shall not revert but shall remain
19 available for expenditure for the purposes designated until the
20 close of the succeeding fiscal year.

21 Sec. 12. DEPARTMENT OF WORKFORCE DEVELOPMENT. There
22 is appropriated from the general fund of the state to the
23 department of workforce development for the fiscal year
24 beginning July 1, 2010, and ending June 30, 2011, the following
25 amounts, or so much thereof as is necessary, for the purposes
26 designated:

27 1. DIVISION OF LABOR SERVICES

28 For the division of labor services, including salaries,
29 support, maintenance, and miscellaneous purposes:

30 \$ 3,495,440

31 From the contractor registration fees, the division of labor
32 services shall reimburse the department of inspections and
33 appeals for all costs associated with hearings under chapter
34 91C, relating to contractor registration.

35 2. DIVISION OF WORKERS' COMPENSATION

1 For the division of workers' compensation, including
2 salaries, support, maintenance, and miscellaneous purposes:
3 \$ 2,595,768

4 The division of workers' compensation shall continue
5 charging a \$65 filing fee for workers' compensation cases.
6 The filing fee shall be paid by the petitioner of a claim.
7 However, the fee can be taxed as a cost and paid by the
8 losing party, except in cases where it would impose an undue
9 hardship or be unjust under the circumstances. The moneys
10 generated by the filing fee allowed under this subsection are
11 appropriated to the department of workforce development to be
12 used for purposes of administering the division of workers'
13 compensation.

14 3. WORKFORCE DEVELOPMENT OPERATIONS

15 For the operation of field offices, the workforce
16 development board, and new Iowans centers:
17 \$ 11,645,474

18 Of the moneys appropriated in this subsection, the
19 department shall allocate \$11,412,564 for the operation of
20 field offices. The department shall not reduce the number of
21 field offices below the number of field offices being operated
22 as of January 1, 2009.

23 The department of workforce development shall make every
24 effort to maintain new Iowans centers that offer one-stop
25 services to deal with the multiple issues related to
26 immigration and employment. The centers shall be designed to
27 support workers, businesses, and communities with information,
28 referrals, job placement assistance, translation, language
29 training, and resettlement, as well as technical and legal
30 assistance on such issues as forms and documentation. Through
31 the coordination of local, state, and federal service
32 providers, and through the development of partnerships with
33 public, private, and nonprofit entities with established
34 records of international service, these centers shall seek to
35 provide a seamless service delivery system for new Iowans.

1 4. OFFENDER REENTRY PROGRAM

2 For the development and administration of an offender
3 reentry program to provide offenders with employment skills:
4 \$ 322,261

5 The department shall partner with the department of
6 corrections to provide staff within the correctional facilities
7 to improve offenders' abilities to find and retain productive
8 employment.

9 5. PILOT PROJECT

10 For purposes of administration of a security employee pilot
11 project training program:
12 \$ 13,033

13 6. Notwithstanding section 8.33, moneys appropriated in
14 this section that remain unencumbered or unobligated at the
15 close of the fiscal year shall not revert but shall remain
16 available for expenditure for the purposes designated until the
17 close of the succeeding fiscal year.

18 Sec. 13. ACCOUNTABILITY — AUDIT. The auditor of state
19 shall annually conduct an audit of the department of workforce
20 development and shall report the findings of such annual
21 audit, including the accountability of programs of the
22 department, to the chairpersons and ranking members of the
23 joint appropriations subcommittee on economic development. The
24 department shall pay for the costs associated with the audit.

25 Sec. 14. EMPLOYMENT SECURITY CONTINGENCY FUND. There is
26 appropriated from the special employment security contingency
27 fund to the department of workforce development for the fiscal
28 year beginning July 1, 2010, and ending June 30, 2011, the
29 following amount, or so much thereof as is necessary, for the
30 purposes designated:

31 For the division of workers' compensation, salaries,
32 support, maintenance, and miscellaneous purposes:
33 \$ 471,000

34 Any remaining additional penalty and interest revenue is
35 appropriated to and may be allocated and used to accomplish the

1 mission of the department.

2 Sec. 15. UNEMPLOYMENT COMPENSATION RESERVE FUND.

3 Notwithstanding section 96.9, subsection 8, paragraph "e",
4 there is appropriated from interest earned on the unemployment
5 compensation reserve fund to the department of workforce
6 development for the fiscal year beginning July 1, 2010, and
7 ending June 30, 2011, the following amount or so much thereof
8 as is necessary, for the purposes designated:

9 For the operation of field offices:

10 \$ 6,500,000

11 Sec. 16. PUBLIC EMPLOYMENT RELATIONS BOARD. There is
12 appropriated from the general fund of the state to the public
13 employment relations board for the fiscal year beginning July
14 1, 2010, and ending June 30, 2011, the following amount, or so
15 much thereof as is necessary, for the purposes designated:

16 For salaries, support, maintenance, and miscellaneous
17 purposes:

18 \$ 1,051,903

19 Of the moneys appropriated in this section, the board
20 shall allocate \$15,000 for maintaining a website that allows
21 searchable access to a database of collective bargaining
22 information.

23 Sec. 17. VALUE-ADDED AGRICULTURE FINANCIAL ASSISTANCE. For
24 the fiscal year beginning July 1, 2010, the office of renewable
25 fuels and coproducts may apply to the department of economic
26 development for moneys in the grow Iowa values fund for deposit
27 in the renewable fuels and coproducts fund created in section
28 159A.7.

29 Sec. 18. IOWA FINANCE AUTHORITY AUDIT. The auditor of state
30 is requested to review the audit of the Iowa finance authority
31 performed by the auditor hired by the authority.

32 Sec. 19. APPLICATION FOR DEPARTMENT OF ECONOMIC DEVELOPMENT
33 MONEYS. For the fiscal year beginning July 1, 2010, any
34 entity that was specifically identified in 2001 Iowa Acts,
35 chapter 188, to receive funding from the department of economic

1 development, excluding any entity identified to receive a
2 direct appropriation beginning July 1, 2010, may apply to the
3 department for assistance through the appropriate program. The
4 department shall provide application criteria necessary to
5 implement this section.

6 Sec. 20. SHELTER ASSISTANCE FUND. In providing moneys from
7 the shelter assistance fund to homeless shelter programs in
8 the fiscal year beginning July 1, 2010, and ending June 30,
9 2011, the department of economic development shall explore the
10 potential of allocating moneys to homeless shelter programs
11 based in part on their ability to move their clients toward
12 self-sufficiency.

13 Sec. 21. UNEMPLOYMENT COMPENSATION PROGRAM. Notwithstanding
14 section 96.9, subsection 4, paragraph "a", moneys credited to
15 the state by the secretary of the treasury of the United
16 States pursuant to section 903 of the Social Security
17 Act are appropriated to the department of workforce
18 development and shall be used by the department for the
19 administration of the unemployment compensation program only.
20 This appropriation shall not apply to any fiscal year
21 beginning after December 31, 2009.

22 EXPLANATION

23 This bill makes appropriations and transfers from the
24 general fund of the state and other funds to the department
25 of cultural affairs, the department of economic development,
26 the university of Iowa, the university of northern Iowa, Iowa
27 state university, the department of workforce development, and
28 the public employment relations board for the 2010-2011 fiscal
29 year.

30 The bill provides that the goals for the department of
31 economic development shall be to expand and stimulate the
32 state economy, increase the wealth of Iowans, and increase the
33 population of the state.

34 The bill transfers moneys collected by the division of
35 insurance in excess of the anticipated gross revenues to the

1 department of economic development for purposes of insurance
2 economic development and international insurance economic
3 development.

4 The bill appropriates moneys from the Iowa community
5 development loan fund to the department of economic development
6 for purposes of the community development program.

7 The bill appropriates moneys from the workforce development
8 fund account to the workforce development fund.

9 The bill provides that moneys appropriated or transferred
10 to or receipts credited to the workforce development fund are
11 appropriated to the department of economic development for
12 administration of workforce development activities.

13 The bill provides that all moneys in the job training fund on
14 July 1, 2010, and any moneys appropriated or credited to the
15 fund during the fiscal year beginning July 1, 2010, shall be
16 transferred to the workforce development fund.

17 The bill requires the auditor of state to conduct an audit of
18 the department of workforce development.

19 The bill appropriates moneys from the special employment
20 security contingency fund to the department of workforce
21 development for the division of workers' compensation.

22 The bill appropriates interest earned on the unemployment
23 compensation reserve fund to the department of workforce
24 development for the operation of field offices.

25 The bill allows the office of renewable fuels and coproducts
26 to apply to the department of economic development for moneys
27 in the grow Iowa values fund for deposit in the renewable fuels
28 and coproducts fund.

29 The bill requests the auditor of state to review the audit
30 of the Iowa finance authority performed by the auditor hired
31 by the authority.

32 The bill provides that, for the fiscal year beginning July
33 1, 2010, any entity that was specifically identified in 2001
34 Iowa Acts, chapter 188, to receive funding from the department
35 of economic development, excluding any entity identified to

1 receive a direct appropriation beginning July 1, 2010, may
2 apply to the department for assistance through the appropriate
3 program.

4 The bill provides that, in providing moneys from the shelter
5 assistance fund to homeless shelter programs, the department of
6 economic development shall explore the potential of allocating
7 moneys to programs based in part on their ability to move their
8 clients toward self-sufficiency.

9 The bill appropriates moneys from moneys credited to
10 the state by the secretary of the treasury of the United
11 States pursuant to the Social Security Act to the department
12 of workforce development for the administration of the
13 unemployment compensation program only.